

To: All Unit Owners
FROM: Board of Directors
DATE: October 17, 2005
RE: Update

What is covered? How much will I get? When will we get our money?

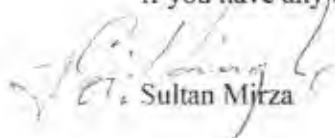
These are some of the questions many of you are asking and we are sorry to say that there are no answers at this time. One important thing you should understand is that the insurance company is dealing with the Association and will pay the Association for its loss. You will not receive any monies directly from the insurance companies. The Association will handle this matter.

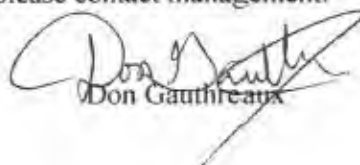
The flood and wind storm adjusters have reviewed most of the damage, but in some instances we could not get into several units due to the owners not having on file their key with management, which is slowing the process. The insurance company home office for windstorm damage is still reviewing our Condo document, as well as the Louisiana Condominium Act to determine what they will pay. Any calls to management for the name of the insurance company, claim number and phone number will not be given out, since the insurance company has advised that they will not talk to anyone but management, or the Board.

The most difficult decision the Board has to make is who will repair your unit. The windstorm insurance company considers anything they pay for is Association property and not the individual owner, therefore it is the responsibility for the Association to determine how the repairs will be made, usually by the Association's contractor, but due to demands by many unit owners to have their contractor complete their repairs the Board is working with the windstorm insurance company to allow unit owners to use their own contractors with strict guidelines. The Board has asked both the flood and windstorm insurance companies to arrive at a cost to repair individually 1, 2 and 3 bedroom units and pay the Association accordingly for the number of 1, 2 and 3 bedroom units damaged, who in return would disperse such monies to the unit owners having damage. The only problem with this is that ALL damaged units will have to be repaired before the insurance company will make a final payment to the Association. There might be some advance monies, but not enough to satisfy your contractor upon completion. It might take a month or two before he is paid in full. Also, if the monies allocated by the insurance company do not cover your total repair bill, you or your insurance company will be responsible for the balance.

Regarding guidelines for your contractor, you must present to management a copy of your contract with your contractor; a certificate of insurance for Workers Comp and \$1,000,000.00 General Liability from the contractor naming the unit owner and Fountain Court Condominium Association, Inc. as certificate holders, plus a certificate from a certified sprayer for flood damaged walls and floors. **WITHOUT THESE ITEMS YOU WILL NOT BE REIMBURSED.** Please note that Lenny, who many of you have used for demolition, is not acceptable for repair work unless he can produce the herein named documents.

If you have any questions, please contact management.


Sultan Mirza


Don Gauthreaux


James Williams